

Memorandum

Date : November 20, 2001
Telephone: ATSS ()
(916) 654-5100

To : William J. Keese, Chairman
Michal C. Moore
Robert A. Laurie
Robert Pernell
Arthur H. Rosenfeld

From : California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5512

Subject : **4-Month Resolution Workshop Summary**

Enclosed is the staff's summary of the Workshop regarding discussion of the 4-Month Resolution that was held on November 14, 2001 following the Energy Commission's regularly scheduled Business Meeting. This summary is an informal record of the discussions that took place. It is being distributed to you, staff and the workshop participants identified on the participant list attached to the summary. The summary also provides the meeting participants with the opportunity to correct information that was misunderstood in the hope of having good communication and an efficient process. If any party would like to make any comments or additions to the summary, they are requested to send them to me in writing by Friday, November 30, 2001. I will see that they are distributed to you and other workshop participants prior to the December 5, 2001 Business Meeting. Any questions should be directed to me at (916) 654-5100 or email rjohnson@energy.state.ca.us

Sincerely,

Roger E. Johnson
Siting Office Manager

Enclosure

cc: Workshop participants
Steve Larson, Executive Director

Workshop Summary

The following is a summary of the discussions concerning the 4-Month Resolution that took place at the November 14, 2001 staff workshop that began at 2:00 in the afternoon following the Energy Commission's regularly scheduled Business Meeting.

Background

On October 17, 2001, the California Energy Commission considered and adopted Resolution 01-1017-02 on a 3-2 vote. The resolution, pursuant to the Governor's Executive Order D-26-01, suspends certain restrictions in Public Resources Code section 25552 that limits projects from being eligible for expedited permitting under the 4-month Application for Certification process. The Resolution waives the restrictions of not being a major stationary source or having to convert to cogeneration or combined cycle after three years for any natural gas-fired simple cycle project that is determined to be data adequate by the last Commission Business Meeting in 2001 and online by August 31, 2002. The Resolution does not lessen any air quality permitting or other environmental review requirements.

Upon request by numerous parties for reconsideration of the Resolution¹, the Commission agreed to hear additional comments from the parties at the November 14, 2001 Business Meeting and possibly reconsider the Resolution. At the close of the Business Meeting discussion, the Commission decided to put the item over until the December 5, 2001 Business Meeting when Commissioner Laurie would be present. The Commission then directed the staff to continue the discussion in a public workshop during the afternoon. The Commission requested that the parties' positions be fully discussed and a summary and any recommendations be provided to the Commission before the December 5, 2001 Business Meeting. The following is the summary of the workshop discussion.

Discussion

The workshop was convened at 2:00 pm in Hearing Room A, and after introductions of those present and participating by telephone (see attached list of workshop participants), the staff proposed the following order of discussion.

1. Statement of the problem from the staff's perspective.
2. Need for simple cycle peaking projects.
3. How many simple cycle projects are expected to file under the 4-month process?
4. Air Quality Issues
5. Environmental Justice and other environmental review issues
6. Options

¹ See October 23, 2001 letter to Bill Keese from Sandra Spelliscy representing the California Planning and Conservation League and signed by 14 other parties requesting reconsideration of Resolution 01-1017-02.

1. Statement of the problem from the staff's perspective.

The need for the capacity from additional simple cycle peaker projects next summer is not as critical now as it was in the period before the summer of 2001, but staff believe that a limited number of additional projects are still needed to ensure against possible generation shortfalls. The Resolution was available for projects statewide, but most projects being proposed are North of Path 15 where the need is greatest from a reliability perspective. The Independent System Operator has identified several Reliability Must Run areas North of Path 15 that are expected to be generation deficient next summer (see attached map). Staff believes that licensing some additional simple cycle power plants for 2002 in a 4-month timeframe can be accomplished and still be consistent with Public Resources Code section 25552 and the intent behind the Governor's Executive Orders. Staff notes that whether such projects are considered 4-month projects that require waivers of the two provisions of Public Resources Code section 25552 or 6-month or 12-month projects that warrant being expedited to completion in the Spring of 2002 in order to provide extra assurance against capacity shortage next summer, the result is the same. In either case, the projects would need to be data adequate by the end of the year and licensed in time for service next summer. In either case, these plants would be environmentally clean and in compliance with the California Environmental Quality Act. Some of the expected simple cycle peaker projects have contracts with the California Department of Water Resources and have contractual obligations to be online next summer. Thus some form of expedited licensing for a limited number of facilities is appropriate so long as environmental standards are not compromised.

Staff believes that a resolution such as Resolution 01-1017-02 is preferred over requiring each project to be considered on a case-by-case basis because it provides the Commission's intent up-front. The Resolution provides applicants with some degree of certainty regarding the permitting process schedule.

Regarding the question "Are we still in a state of emergency?" the Legislature has asked the Energy Commission for its projections for 2002-2004. The numbers will be released to the Legislature next week. The declaration of an energy emergency and the subsequent Executive Orders expire on December 31, 2001.

2. Need for simple cycle peaking projects.

California's electrical generating system needs peaking projects. Peaking projects have a different duty cycle than a combined cycle power plant. Peakers are typically hydroelectric facilities or simple cycle generators that can be dispatched in a matter of minutes. Simple cycle generators can be operated outside the peaking mode as long as they stay within their permit limits. New simple cycle generators are relatively inexpensive to construct and are typically more fuel efficient than older power plants and significantly cleaner on a per megawatt hour basis. New simple cycle peaker projects have the ability to improve California's generation system by possibly replacing some of the older peakers that have much dirtier air emissions, particularly in the coming year. Currently California has about 3,000 megawatts of peaking capacity of

which 60 percent is 20 years old or older.

Regarding the question “Will new facilities in fact replace old facilities?” this should occur on an hour to hour basis whenever the new facilities can be operated at a lower variable cost than the older facilities. This is true because the existence of the newer facility allows the owner of the older facility to reduce its output and buy replacement power from the newer facility at a lower cost than the owner of the older facility it would incur by running its plant. While market imperfections may cause this cost saving strategy not to happen in all hours that it might happen, the economic advantage of displacing more expensive generation with less expensive generation provides a powerful incentive that can be expected to have this effect most of the time.

We note that one party suggested that “Staff should put their money where their mouth is and require applicants to shut down old dirty projects as a condition of building new peakers.” This is not a practical suggestion because none of the new or proposed peakers are owned by generators that own the old peakers. In the case of the Huntington Beach repower project, however, the Commission did have the opportunity to use its regulatory authority in this way, and AES was required to shut down the old uncontrolled peaker after December 31, 2002 as a condition of its repower permit. The question when older, more polluting, facilities must be shut down or retrofitted with controls is primarily in the hands of air quality regulators who must balance the state’s need for reliable power, the need for clean air, and equitable considerations where retrofit options would arguably not be cost-effective. The Legislature has tried, through its deregulation decision in AB 1890, to provide a market environment that would promote the gradual replacement of these older facilities with newer and much cleaner ones. This does not displace the need for regulatory action to require retrofits in appropriate cases, but over time, it can be expected to encourage construction of clean facilities that will, through economic competition, eventually make the much less efficient facilities difficult to maintain for service.

Finally, at the workshop, questions were asked whether the number of peaker projects that should go forward should be limited or whether expedited simple cycle projects should be conditioned to operate only a limited number of hours of operation or to emit a limited number of tons of pollutants, thus limiting their operation. Staff suggested that these were policy questions that only the Commission can decide. We note, however, that such limitations are probably counter-productive for the environment in two ways. First, they artificially limit the extent to which these cleaner facilities, if developed, can operate to displace dirtier ones. Second, they tend to discourage development of these cleaner facilities by making the prospect of investing in these facilities less economically attractive by limiting their potential profitability.

3. How many simple cycle projects are expected to file under the 4-month process?

The number of simple cycle projects that currently have 4-month applications with the Energy Commission is limited to four. The 195 MW Los Esteros simple cycle project is

currently under review and is being processed as a 4-month application. The project meets the requirements of Public Resources Code section 25552 and does not require any waiver of restrictions. The 169 MW Tracy and 95 MW Henrietta projects were recently found data adequate and were determined to be 4-month applications with the three-year conversion waiver afforded by the Resolution. Both projects have 10-year contracts with the California Department of Water Resources as simple cycle generators, and there is no plan to convert to cogeneration or combined cycle after three years. The 135 MW Gilroy Phase II project has applied as a 4-month application, but it has not been found to be data adequate. This project will be a modification to a major stationary source and has a multi-year contract with CDWR as a simple cycle peaker. It will need both waivers in the Resolution and will need to be found data adequate by the last Commission Business Meeting in December to qualify for the 4-month process.

The number of projects that may file applications requesting a 4-month process has narrowed to six. Recently the California Power Authority notified all the developers with which it had signed Letters of Intent that it was suspending all due diligence activities on those LOIs. Depending on the Investment Plan that it presents to the Legislature next February, the Power Authority may proceed to contract with one or more simple cycle peaker projects. Of the 20 simple cycle peaker projects with LOIs, only 6 have indicated their intent to file applications for 4-month expedited permitting. All 6 projects would need a waiver of the requirement to convert to cogeneration or combined cycle after three years. Staff distributed the attached LOI project summary table and identified the six projects as the four Hinkley 196 MW projects, the 180 MW Pegasus project and the 80 MW Cummins clean diesel-fired project. It was noted that the five natural gas-fired peaker projects were proposing 2.5 ppm Nox for BACT, the same level at which combined cycle projects have recently been licensed.

The window for projects to qualify for the Resolution is closing very quickly. The filing requirements are no less than for the 12-month application and they must be found data adequate by the last Commission Business Meeting in December which is currently noticed to be December 19.

4. Air Quality Issues

BACT is typically 5 ppm Nox for simple cycle peakers and 2 – 2.5 ppm for cogeneration or combined cycle projects. However, a representative of the Bay Area Air Quality Management District noted that a peaker controlled to 2.5 parts per million Nox is not the same as a combined cycle facility controlled to 2.5 ppm Nox because the combined cycle will use waste heat to generate approximately 20 to 30 percent more megawatt hours for the same amount of fuel burned. [Of course, staff notes that the combined cycle also takes much longer to build and uses large quantities of water or raises other cooling issues (e.g. biological impacts or noise). The combined cycle is also very expensive compared to the simple cycle and cannot be ramped up and down quickly, making it impractical for peaking duty.]

Concern was expressed that 4-month Applications for Certification will not allow sufficient time to do an adequate cumulative impacts analysis. Staff explained that a cumulative impacts analysis and an alternatives analysis were done for the 4-month United Golden Gate project. To the extent the federal Clean Air Act requires an alternatives analysis for an air permit, 4-month projects are subject to a complete analysis that includes a cumulative impacts and alternatives (including the no project alternative) analysis.

Representatives of air quality management districts informed staff that the timelines in the 4-month process as currently described are difficult, but not impossible, to meet. The air districts, like the Energy Commission, are relying on overtime budgets to meet the deadlines associated with power plant permitting. One or two expedited projects are about all a district can manage expeditiously. The 30-day public comment period for the Preliminary Determination of Compliance is actually a 45-60 day process when you account for noticing and responding to comments. It was suggested that the Energy Commission examine the 4-month process to see if there could be more time for the districts to do their work. The districts were also very concerned that the Resolution only apply to future projects that had not already been reviewed and issued Determinations of Compliance. Staff assured them that the intent of the Resolution was only to apply to new projects that otherwise met the 4-month criteria.

5. Environmental Justice and other environmental review issues

All Energy Commission permitting processes (21-day, 4-month, 6-month and 12-month) include an environmental justice analysis. Staff indicated that it would review and comment on the Power Against the People? report that was distributed by the Latino Issues Forum at the morning Business Meeting.

The 4-month permitting process examines all environmental areas, and only projects without significant impacts to the environment or transmission system are eligible for the 4-month or 6-month processes. Projects that file 4-month or 6-month applications must include mitigation measures that would reduce any potential environmental impacts to less than significant levels.

6. Options

Discussion of options focused on maintaining the resolution, modifying the resolution to be more restrictive, or using the 6-month or 12 month processes. The representative from the Planning and Conservation League stated that the appropriate Legislative process must be used for each project, and the 4-month process is only appropriate for projects that meet the Legislative requirements of SB28x (Chap. 12, stats. 2001). Additionally, she contends that Executive Orders and waivers should not be used to expedite the permitting of any more power plants. When asked whether it would be desirable to further restrict the Resolution beyond requiring that projects be natural gas-fired, the answer from PCL was that further restrictions would be less appropriate than

relying on the Resolution. She questioned the legality of further restrictions beyond what the Legislature intended. PCL believes that the Resolution should be rescinded and does not believe the Commission can justify waiving restrictions on a case-by-case basis because she believes there is no longer an emergency. She recommends the Commission look at the merits of each project and decide the appropriate process and schedule without waiving statutory restrictions.

There was discussion of using the 6-month process or the 12-month process with the possibility of completing the permitting in 4 months when there was a timely Determination of Compliance, transmission interconnection study and no permitting issues. Both the 6 and 12-month processes have no limitations on the duty cycle of the project or the requirement to convert to cogeneration or combined cycle. Legal counsel for the Henrietta and Tracy peaker projects commented that his applicant would rather take a bit longer to get a permit that wouldn't be tied up in court over the waiver issue than to move ahead on a slightly faster schedule that was headed for court².

The workshop was adjourned at 4:30 pm.

² On November 15, 2001, the Henrietta Committee issued an order indicating that the project will be processed as a 12-month AFC pursuant to Public Resources Code section 25540.6. The order includes a schedule indicating the AFC will be processed within 4 months of when it was deemed data adequate on October 17, 2001.

| NAME | ORGANIZATION | ADDRESS | CITY | STATE | ZIP | PHONE | E-MAIL |
|--------------------|---|--------------------------------------|---------------|-------|------------|------------------------|--|
| Bill DeBoisblanc | Bay Area Air Quality Management | 939 Ellis Street | San Francisco | CA | 94103 | (415) 749-4990 | Bdeboisblanc@baaqmd.gov |
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| Steven Moore | San Diego Air Pollution Control District | 9150 Chesapeake Drive | San Diego | CA | 92123-1096 | (858) 650-4700 | |
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| August Kugler | BJY | 5776 Stoneridge Mall Road, Suite 325 | Pleasanton | CA | 94588 | (925) 251-9000 | Gus.kugler@sfbay.jhy.com |
| Mike Costa | Our Children's Earth Foundation | 915 Cole Street, Suite 248 | San Francisco | CA | 94117 | (415) 934-0220 | Mike@ocefoundation.org |
| Anne Simon | Communities for a Better Environment | 1611 Telegraph Avenue, Suite 450 | Oakland | CA | 94618 | (510) 302-0430 Ext 306 | Asimon@cbecal.org |
| Jeff Harris | Ellison Schneider & Harris | 2015 H Street | Sacramento | CA | 95814 | (916) 447-2166 | Jdh@eslawfirm.com |
| Tom Addison | Bay Area Air Quality Management | 939 Ellis Street | San Francisco | CA | 94103 | (415) 749-5109 | Taddison@baaqmd.gov |
| Mohsen Nazemi | South Coast Air Quality Management District | 21865 E. Copley Drive | Diamond Bar | CA | 91765 | (909) 396-2662 | Mnazemi1@aqmd.gov |
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| Enrique Gallardo | Latino Issues Forum | 785 Market Street, Suite 300 | San Francisco | CA | 94103 | (415) 547-7750 | Enriqueg@lif.org |
| Mike Guzzetta | Air Resources Board | 1001 I Street | Sacramento | CA | 95812 | (916) 327-5600 | Mguzzetta@arb.ca.gov |

| | | | | | | | |
|----------------|------------------|--------------------------------------|------------|----|-------|----------------|--|
| Duane Nelson | GWF Energy | 4300 Railroad Avenue | Pittsburg | CA | 94565 | | |
| Chris Chaddock | | P.O. Box 9691 | Elverta | CA | 95626 | 768-0158 | Farmtown2@netzero.net |
| John Grattan | Grattan & Galati | 801 K Street, 28 th Floor | Sacramento | CA | 95814 | (916) 441-6575 | jgrattan@grattangalati.com |

Summary of CA Power Authority LOI Project Proposals

| | Developer | DISTRICT/ Location | Capacity | Fuel | Equipment | | Controls | NOx | | | CO | VOC | | Contract Price | Annual Hours | Comments |
|-------------------------------|--|---|--------------|----------|----------------|---------------------------------------|-------------------------|-----|------|----------|----------|----------|-----|-------------------|-----------------|---|
| | | | MW | | Basic | Details | | ppm | tpy | g/bhp-hr | g/bhp-hr | g/bhp-hr | tpy | \$/kW | hrs/yr | |
| 1 | Electricity Provider, Inc. | ANTELOPE VALLEY/ Lancaster | 140.0 | nat. gas | Gas turbine | 2-GE Frame 7 | SCR, Ox. Catalyst | 2.5 | | | | | | 585 | 2000 | |
| ANTELOPE VALLEY TOTAL: | | | 140.0 | | | | | | | | | | | | | |
| 2 | International Factoring Corp. | BAY AREA/ Concord, Contra Costa County | 90.2 | nat. gas | Gas turbine | 2-GE LM6000 Sprint | SCR | 2.5 | 30 | | | | | 806 | 6000 | |
| 3 | Mirant Americas Development, Inc. | BAY AREA/ Contra Costa Power Plant | 200.0 | nat. gas | Gas turbine | 4-GE LM6000 PC Sprint | SCR, Ox. Catalyst | 2.5 | | | | | | 823 | 2000 | Cost of offsets not included in quote |
| 4 | CC Hinckley Co., LLC | BAY AREA/ Petaluma | 200.0 | nat. gas | Gas turbine | 4-Pratt & Whitney FT-8 Twin Pac | SCR | 2.5 | 30 | | | | | 753 | 3000 | NOx averaging time is 24 hrs. Developer responsible for offsets. |
| 5 | Electricity Provider, Inc. | BAY AREA/ San Francisco airport | 100.0 | nat. gas | Gas turbine | 4-PGS | SCR | 2.5 | 36.5 | | | | | 625 | 8500 | |
| 6 | Spartan | BAY AREA/ San Jose | 96.0 | nat. gas | Gas turbine | 2-GE LM6000 | SCR, Ox. Catalyst | 2.5 | 14.8 | | | | | 769 | 2000 | Developer responsible for offsets |
| 7 | Panda West II | BAY AREA/ Solano County | 47.3 | nat. gas | Gas turbine | 1-GE LM6000 | SCR, Ox. Catalyst | 2.5 | 14.8 | | | | | 838 | 7000 | Developer has obtained necessary permits and offsets |
| 8 | Panda West III | BAY AREA/ Solano County | 47.3 | nat. gas | Gas turbine | 1-GE LM6000 | SCR, Ox. Catalyst | 2.5 | 14.8 | | | | | 838 | 7000 | Developer has obtained necessary permits and offsets |
| BAY AREA TOTAL: | | | 780.8 | | | | | | | | | | | | | |

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| | Developer | DISTRICT/ Location | Capacity | Fuel | Equipment | | Controls | NOx | | | CO | VOC | | Contract Price | Annual Hours | Comments |
|--------------------------------|--|---|--------------|-------------------------------|--------------------------------------|--|----------|-----|------|----------|----------|----------|-----|-------------------|-----------------|--|
| | | | MW | | Basic | Details | | ppm | tpy | g/bhp-hr | g/bhp-hr | g/bhp-hr | tpy | \$/kW | hrs/yr | |
| 10 | Far West Energy, Inc. | CALAVERAS CO/ Calaveras County | 49.9 | 80% nat. gas 20% biodiesel | Recip. engine | | SCR | 20 | 100 | | | | | 581 | 6000 | No offsets required |
| CALAVERAS CO TOTAL: | | | 49.9 | | | | | | | | | | | | | |
| 11 | Far West Energy, Inc. | FEATHER RIVER/ Marysville, Yuba County | 49.9 | 80% nat. gas 20% biodiesel | Recip. engine | | SCR | 20 | 25 | | | | | 581 | 1900 | No offsets required |
| FEATHER RIVER TOTAL: | | | 49.9 | | | | | | | | | | | | | |
| 12 | Power Innovators 3 | LASSEN CO/ Susanville Corr. Fac., Susanville | 75.0 | nat. gas | Recip. Engines and Turbines | 2-GE 1.9MW Jenbacher Engines and 3 GE Frame 6, 23 MW Turbines | SCR | 5 | | | | | | 650 | 8000 | Developer responsible of permits and offsets |
| LASSEN CO TOTAL: | | | 75.0 | | | | | | | | | | | | | |
| 13 | Monterey Regional Waste Mgmt. District | MONTEREY BAY/ Marina | 1.0 | landfill gas | Recip. Engine | | | | 14.9 | | | | | 0.065 | 8760 | Landfill gas to electricity facility, developer responsible for offsets |
| 14 | Power Innovators 4 | MONTEREY BAY/ Salinas Corr. Fac., Salinas | 100.0 | nat. gas | Gas turbine | 2-GE LM6000 | SCR | 9 | | | | | | 650 | 8000 | responsible for permits and offsets; NOx emission to go to 5 ppm or lower in < 3 years if Authority elects |
| MONTEREY BAY TOTAL: | | | 101.0 | | | | | | | | | | | | | |
| 15 | Power Innovators 7 | SACRAMENTO METRO/ McClellan AFB, Sacramento | 49.6 | nat. gas | Recip. Engines | 8-Wartsilla (6.2MW) | SCR | 9 | | | | | | 650 | 8000 | Developer responsible for permits and offsets |
| 16 | Ameresco | SACRAMENTO METRO/ West Sacramento | 283.0 | nat. gas | Gas turbine | 6-GE LM6000 | SCR | 2.5 | 48 | | | | | 698 | 4000 | responsible for permits and offsets necessary to operate for up to 5% of on-peak hours per year at max. capacity |
| SACRAMENTO METRO TOTAL: | | | 332.6 | | | | | | | | | | | | | |

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| | Developer | DISTRICT/ Location | Capacity | Fuel | Equipment | | Controls | NOx | | | CO | VOC | | Contract Price | Annual Hours | Comments |
|----|----------------------------|--|----------|----------|-----------------------------|---|-------------------|-----|------|----------|----------|----------|-----|-------------------|-----------------|---|
| | | | MW | | Basic | Details | | ppm | tpy | g/bhp-hr | g/bhp-hr | g/bhp-hr | tpy | \$/kW | hrs/yr | |
| 17 | Power Innovators 8 | SAN JOAQUIN VALLEY/ CA Women's Fac., Madera | 49.6 | nat. gas | Recip. Engines | 8-Wartsilla (6.2MW) | SCR | 9 | | | | | | 650 | 8000 | Developer responsible for permits and offsets |
| 18 | Power Innovators 6 | SAN JOAQUIN VALLEY/ Foster Foods Facility, Fresno | 32.8 | nat. gas | Recip. Engines | 8-Wartsilla (4.1MW) | SCR | 9 | | | | | | 650 | 8000 | Developer responsible for permits and offsets |
| 19 | Cummins West, Inc. | SAN JOAQUIN VALLEY/ Los Banos | 80.0 | diesel | Recip. engine | 40-2 MW units | SCR, Ox. Catalyst | | | 0.66 | 0.01 | | | 530.4 | 900 | Developer responsible for offsets - to create with HD Truck Flash & Match Program |
| 20 | Electricity Provider, Inc. | SAN JOAQUIN VALLEY/ Los Banos | 340.0 | nat. gas | Gas turbine | 4-GE Frame 7 | SCR | 2.5 | | | | | | 525 | 8500 | |
| 21 | Power Innovators 2 | JOAQUIN VALLEY/ Pleasant Valley Corr. Fac., Coalinga | 100.0 | nat. gas | Recip. Engines and Turbines | 16-4.2MW Wakesha Engines and 2-GE Frame 6, 23 MW Turbines | SCR | 5 | | | | | | 650 | 8000 | Developer responsible of permits and offsets |
| 22 | CC Hinckley Co., LLC | SAN JOAQUIN VALLEY/ Tesla | 200.0 | nat. gas | Gas turbine | 4-Pratt & Whitney FT-8 Twin Pac | SCR | 2.5 | 30 | | | | | 730 | 3000 | NOx averaging time is 24 hrs. Developer responsible for offsets. |
| 23 | CC Hinckley Co., LLC | SAN JOAQUIN VALLEY/ Fresno | 200.0 | nat. gas | Gas turbine | 4-Pratt & Whitney FT-8 Twin Pac | SCR | 2.5 | 30 | | | | | 748 | 3000 | NOx averaging time is 24 hrs. Developer responsible for offsets. |
| 24 | MegaEnergy, Inc. | SAN JOAQUIN VALLEY/ Tipton, Tulare County | 50.4 | nat. gas | Recip. engine | 18-Wartsila 18v220SG | SCR, Ox. Catalyst | | 9.95 | 0.07 | | | | 726 | 1850 | No NOx, CO, PM10 offsets. Developer to provide VOC as required |

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| | Developer | DISTRICT/ Location | Capacity | Fuel | Equipment | | Controls | NOx | | | CO | VOC | | Contract Price | Annual Hours | Comments |
|---------------------------|--------------------------------|---|----------|--------------|------------------|-----------------------------|----------|-----|------|----------|----------|----------|-----|-------------------|-----------------|--|
| | | | MW | | Basic | Details | | ppm | tpy | g/bhp-hr | g/bhp-hr | g/bhp-hr | tpy | \$/kW | hrs/yr | |
| SAN JOAQUIN VALLEY TOTAL: | | | 1052.8 | | | | | | | | | | | | | |
| 24 | Ridgewood Olinda, LLC | SOUTH COAST/ Brea | 2.4 | landfill gas | Recip. Engine | 1-Deutz | | | | | | | | 0.06 | 2,400kw | Landfill gas to electricity facility |
| 25 | Pegasus Power Partners, LLC | SOUTH COAST/ Chino | 192.0 | nat. gas | Gas turbine | 4-GE LM6000 | SCR | 2.5 | 29.5 | | | | | 681 | 1700 | Developer responsible for offsets |
| 26 | Chino Organic, Phase I | SOUTH COAST/ Chino Inst. For Men, Chino | 166.0 | nat. gas | Gas turbine | 2-X83 MW Alstom GT11N | SCR | 5 | 50 | | | | | 681 | 2500 | Developer responsible for permits and offsets; site lease secured from State of CA, DGS |
| 27 | Atlas Logistics | SOUTH COAST/ Ontario | 45.2 | nat. gas | Gas turbine | 4-GE LM1500 | SCR | 2.5 | <20 | | | | | 635 | 2000 | Developer responsible for permits and offsets necessary for RECLAIM compliance |
| SOUTH COAST TOTAL: | | | 405.6 | | | | | | | | | | | | | |

Summary of CA Power Authority LOI Project Proposals

| | Developer | DISTRICT/ Location | Capacity | Fuel | Equipment | | Controls | NOx | | | CO | VOC | | Contract Price | Annual Hours | Comments |
|----------------------------|---------------------------------|--|---------------|-----------|-------------------|----------------------------|-------------------------|-----|------|----------|----------|----------|-----|-------------------|-----------------|---|
| | | | MW | | Basic | Details | | ppm | tpy | g/bhp-hr | g/bhp-hr | g/bhp-hr | tpy | \$/kW | hrs/yr | |
| 28 | MegaEnergy, Inc. | TEHAMA CO/ Red Bluff, Tehama County | 50.4 | nat. gas | Recip. engine | 18-Wartsila 18v220SG | SCR, Ox. Catalyst | | 11.5 | 0.07 | | 0.15 | 24 | 726 | 2150 | No NOx, CO, PM10, VOC offsets required |
| 29 | Sierra Pacific | TEHAMA CO/ Redbluff | 43.0 | nat. gas | Gas turbine | 1-GE LM6000 | SCR | 5 | 20 | | | | | 750 | 4992 | Price includes offsets to operate at full load for all peak hours |
| TEHAMA CO TOTAL: | | | 93.4 | | | | | | | | | | | | | |
| 30 | Sierra Industrial Group, LLC | TUOLUMNE CO/ Tuolumne County | 49.9 | biodiesel | Recip. Engines | 24-GE Locomotives | SCR, PM Filters | | | 7.8 | | | | 570 | 1000 | Developer responsible for offsets |
| 31 | Sierra Industrial Group, LLC | TUOLUMNE CO/ Tuolumne County | 49.9 | biodiesel | Recip. Engines | 24-GE Locomotives | SCR, PM Filters | | | 7.8 | | | | 570 | 1000 | Developer responsible for offsets |
| TUOLUMNE CO TOTAL: | | | 99.8 | | | | | | | | | | | | | |
| 32 | Power Innovators 5 | YOLO- SOLANO/ CA State Prison, Solano | 100.0 | nat. gas | Gas turbine | 2-GE LM6000 | SCR | 9 | | | | | | 650 | 8000 | Developer responsible for permits and offsets; NOx emission to go to 5 ppm or lower in < 3 years if Authority elects |
| 33 | Power Innovators 1 | YOLO- SOLANO/ Dixon | 47.3 | nat. gas | Gas turbine | 1-GE LM6000 | SCR | 9 | | | | | | 650 | 8000 | Developer responsible for permits and offsets; NOx emission to go to 5 ppm or lower in < 3 years if Authority elects |
| YOLO-SOLANO TOTAL: | | | 147.3 | | | | | | | | | | | | | |
| 34 | Energy System International | MEXICO/ Tijuana | 172.5 | nat. gas | Gas turbine | 2- Westinghouse 701C | SCR | 5 | 150 | | | | | 609 | 8000 | Contract price + mutually agreed upon bridge/construction loan financing costs |
| MEXICO TOTAL: | | | 172.5 | | | | | | | | | | | | | |
| TOTAL ALL PROJECTS: | | | 3500.6 | | | | | | | | | | | | | |